

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0814-01
Bill No.: HJR 21
Subject: Constitutional Amendments; Marriage and Divorce; Domestic Relations
Type: Original
Date: January 15, 2015

Bill Summary: This joint resolution proposes a constitutional amendment allowing the state to recognize a marriage between a man and a woman as well as between a same-sex couple.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	\$0 to (More than \$7,100,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0 to (More than \$7,100,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government*	\$0	\$0	\$0

*Distribution increase (decrease) net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** each year assume a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the governor to order a special election for constitutional amendments referred to the people. If a special election is called to submit a Joint Resolution to a vote of the people, section 115.063.2, RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$7.1 million based on the cost of the 2012 Presidential Preference Primary.

The SOS is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Sections 116.230-116.290, RSMo. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. Funding for this item is adjusted each year depending upon the election cycle with \$1.3 million historically appropriated in odd numbered fiscal years and \$100,000 appropriated in even numbered fiscal years to meet these requirements. Through FY 2013, the appropriation had historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2013, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$2.17 million to publish (an average of \$434,000 per issue). In FY 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation and the SOS was appropriated \$1.19 million to publish the full text of the measures. Due to this reduced funding, the SOS reduced the scope of the publication of these measures. In FY 2015, at the August and November elections, there were 9 statewide Constitutional Amendments or ballot propositions that cost \$1.1 million to publish (an average of \$122,000 per issue). Despite the FY 2015 reduction, the SOS will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

ASSUMPTION (continued)

Oversight has reflected in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this joint resolution voted on during a special election in fiscal year 2016. This reflects the decision made by the Joint Committee on Legislative Research, that the cost of the elections should be shown in the fiscal note. The next scheduled primary election is in August 2016 (FY 2017) or the next scheduled general election is in November 2016 (FY 2017). It is assumed the subject within this proposal could be on either of those ballots; however, it could also be on a special election called for by the Governor. Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2016.

Officials at the **Department of Health and Senior Services (DHSS)** assume a one time cost of \$5,010 in FY 2016. Support from ITSD will be needed to modify the current data entry application to accept a gender indicator for each spouse in both marriage and divorce; a modification of daily edits and load program to the mainframe; and an adjustment to the file layout used by approximately half of the county Recorders of Deeds who transmit an electronic file of marriages to DHSS. This is expected to cost \$3,645. There is also a printing forms cost of \$210.

Section 193.185, RSMo requires that a report of each marriage performed in this state shall be filed with DHSS by the fifteenth of each month. Passage of this constitutional amendment will require DHSS to modify the Application/Report of Marriage form to change the current Groom/Bride labels to a neutral gender label and collect gender of the two parties of the marriage. This form is available to data providers on a secure website. DHSS maintains a small supply of printed forms to make available upon request and for querying purposes. The cost for modifying and printing this form is \$0.21 each X 500 copies or \$104.17 through OA State Printing. DHSS issues an average of 2,300 certified marriage statements annually. The cost for modifying and printing the Certified Statement Relating to Marriage is \$0.29 each X 2,500 copies or \$725.

Section 193.205, RSMo requires that a report of each dissolution of marriage and annulment of marriage granted by any court in this state shall be filed by the clerk of the court with DHSS by the fifteenth of each month. Passage of this constitutional amendment will require DHSS to modify the Certificate of Dissolution of Marriage form to change the current Husband/Wife labels to a neutral gender label and collect gender of the two parties of the dissolution. This form is available to data providers on a secure website. DHSS maintains a small supply of printed forms to make available upon request and for querying purposes. The cost for modifying and printing this form is \$0.21 each X 500 copies or \$104.17 through OA State Printing. DHSS issues an average of 600 certified divorce statements annually. The cost for printing the Certified Statement Relating to Divorce is \$0.43 each X 1,000 copies or \$430.

ASSUMPTION (continued)

The number of marriages and dissolutions reported to the state are not expected to increase significantly with passage of this constitutional amendment, so there are no anticipated needs for additional staff or postage costs.

Officials at the **Office of Administration (OA)** assume that any increase in the number of our employees who chose to marry and further choose to exercise their options to obtain spousal benefits will be small and statistically insignificant based on information from both MOSERS and MCHCP. OA has been informed that both MOSERS and MCHCP already cover same-sex couples with a valid marriage certificate.

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of the State Courts Administrator**, the **Department of Mental Health**, the **Department of Social Services** and the **Department of Revenue** each assume no fiscal impact to their respective agencies from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Transfer Out</u> - SOS - reimbursement of local election authority election costs if a special election is called by the Governor	\$0 or (More than <u>\$7,100,000</u>)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or (More than <u>\$7,100,000</u>)	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
LOCAL POLITICAL SUBDIVISIONS			
<u>Transfer In</u> - Local Election Authorities - reimbursement of election costs by the State for a special election	\$0 or More than \$7,100,000	\$0	\$0
<u>Costs</u> - Local Election Authorities - cost of a special election	\$0 or (More than \$7,100,000)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

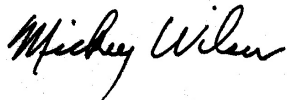
FISCAL DESCRIPTION

Upon voter approval, this proposed constitutional amendment specifies that a marriage may exist between a man and a woman as well as between a same-sex couple.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of the State Courts Administrator
Department of Mental Health
Department of Social Services
Department of Revenue
Office of the Secretary of State
Office of Administration
Department of Health and Senior Services



Mickey Wilson, CPA
Director
January 15, 2015

Ross Strobe
Assistant Director
January 15, 2015